

1 71.07 **(2dr)** (b) *Development opportunity zones.* The development zones
2 research credit under par. (a), as it applies to a person certified under s. 560.765 (3),
3 2009 stats., applies to a person that conducts economic activity in a development
4 opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits
5 under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats.
6 A development opportunity zone credit under this paragraph may be calculated
7 using expenses incurred by a claimant beginning on the effective date under s.
8 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the
9 area in which the claimant conducts economic activity.

10 **SECTION 427.** 71.07 (2ds) (a) 1. of the statutes is amended to read:

11 71.07 **(2ds)** (a) 1. "Development zone" means a zone designated under s. 560.71,
12 2009 stats.

13 **SECTION 428.** 71.07 (2ds) (b) of the statutes is amended to read:

14 71.07 **(2ds)** (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
15 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
16 for tax benefits, any person may claim as a credit against taxes otherwise due under
17 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
18 and rentals of eligible property. Partnerships, limited liability companies and
19 tax-option corporations may not claim the credit under this subsection, but the
20 eligibility for, and the amount of, that credit shall be determined on the basis of their
21 economic activity, not that of their partners, members or shareholders. The
22 partnership, limited liability company or corporation shall compute the amount of
23 credit that may be claimed by each of its partners, members or shareholders and
24 shall provide that information to each of its partners, members or shareholders.
25 Partners, members of a limited liability company and shareholders of tax-option

1 corporations may claim the credit based on the partnership's, company's or
2 corporation's activities in proportion to their ownership interest.

3 **SECTION 429.** 71.07 (2ds) (d) 1. of the statutes is amended to read:

4 71.07 (2ds) (d) 1. A copy of the claimant's certification for tax benefits under
5 s. 560.765 (3), 2009 stats.

6 **SECTION 430.** 71.07 (2dx) (a) 2. of the statutes is amended to read:

7 71.07 (2dx) (a) 2. "Development zone" means a development zone under s.
8 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
9 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
10 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
11 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
12 560.7995, 2009 stats.

13 **SECTION 431.** 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

14 71.07 (2dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
15 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
16 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
17 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
18 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
19 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
20 the taxes otherwise due under this chapter the following amounts:

21 **SECTION 432.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

22 71.07 (2dx) (b) 2. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
24 of full-time jobs created in a development zone and filled by a member of a targeted

1 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
2 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

3 **SECTION 433.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

4 71.07 (2dx) (b) 3. The amount determined by multiplying the amount
5 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
6 of full-time jobs created in a development zone and not filled by a member of a
7 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
8 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

9 **SECTION 434.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

10 71.07 (2dx) (b) 4. The amount determined by multiplying the amount
11 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
12 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
13 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
14 (2dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
15 and for which significant capital investment was made and by then subtracting the
16 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
17 under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 435.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

19 71.07 (2dx) (b) 5. The amount determined by multiplying the amount
20 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
21 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
22 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in
23 a development zone and not filled by a member of a targeted group and by then
24 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
25 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

1 **SECTION 436.** 71.07 (2dx) (be) of the statutes is amended to read:

2 71.07 **(2dx)** (be) *Offset*. A claimant in a development zone under s. 238.395 (1)
3 (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
4 subsection, including any credits carried over, against the amount of the tax
5 otherwise due under this subchapter attributable to all of the claimant's income and
6 against the tax attributable to income from directly related business operations of
7 the claimant.

8 **SECTION 437.** 71.07 (2dx) (bg) of the statutes is amended to read:

9 71.07 **(2dx)** (bg) *Other entities*. For claimants in a development zone under s.
10 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
11 companies, and tax-option corporations may not claim the credit under this
12 subsection, but the eligibility for, and amount of, that credit shall be determined on
13 the basis of their economic activity, not that of their shareholders, partners, or
14 members. The corporation, partnership, or company shall compute the amount of
15 the credit that may be claimed by each of its shareholders, partners, or members and
16 shall provide that information to each of its shareholders, partners, or members.
17 Partners, members of limited liability companies, and shareholders of tax-option
18 corporations may claim the credit based on the partnership's, company's, or
19 corporation's activities in proportion to their ownership interest and may offset it
20 against the tax attributable to their income.

21 **SECTION 438.** 71.07 (2dx) (c) of the statutes is amended to read:

22 71.07 **(2dx)** (c) *Credit precluded*. If the certification of a person for tax benefits
23 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
24 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
25 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395

1 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
2 subsection for the taxable year that includes the day on which the certification is
3 revoked; the taxable year that includes the day on which the person becomes
4 ineligible for tax benefits; or succeeding taxable years and that person may not carry
5 over unused credits from previous years to offset tax under this chapter for the
6 taxable year that includes the day on which certification is revoked; the taxable year
7 that includes the day on which the person becomes ineligible for tax benefits; or
8 succeeding taxable years.

9 **SECTION 439.** 71.07 (2dx) (d) of the statutes is amended to read:

10 71.07 **(2dx)** (d) *Carry-over precluded.* If a person who is entitled under s.
11 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
12 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
13 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
14 tax benefits ceases business operations in the development zone during any of the
15 taxable years that that zone exists, that person may not carry over to any taxable
16 year following the year during which operations cease any unused credits from the
17 taxable year during which operations cease or from previous taxable years.

18 **SECTION 440.** 71.07 (2dy) (a) of the statutes is amended to read:

19 71.07 **(2dy)** (a) *Definition.* In this subsection, "claimant" means a person who
20 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
21 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
22 2009 stats.

23 **SECTION 441.** 71.07 (2dy) (b) of the statutes is amended to read:

24 71.07 **(2dy)** (b) *Filing claims.* Subject to the limitations under this subsection
25 and ss. 238.301 to 238.306 or ss. 560.701 to 560.706, 2009 stats., for taxable years

1 beginning after December 31, 2008, a claimant may claim as a credit against the tax
2 imposed under s. 71.02 or 71.08, up to the amount of the tax, the amount authorized
3 for the claimant under s. 238.303 or s. 560.703, 2009 stats.

4 **SECTION 442.** 71.07 (2dy) (c) 1. of the statutes is amended to read:

5 71.07 (2dy) (c) 1. No credit may be allowed under this subsection unless the
6 claimant includes with the claimant's return a copy of the claimant's certification
7 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
8 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

9 **SECTION 443.** 71.07 (2dy) (c) 2. of the statutes is amended to read:

10 71.07 (2dy) (c) 2. Partnerships, limited liability companies, and tax-option
11 corporations may not claim the credit under this subsection, but the eligibility for,
12 and the amount of, the credit are based on their authorization to claim tax benefits
13 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
14 or tax-option corporation shall compute the amount of credit that each of its
15 partners, members, or shareholders may claim and shall provide that information
16 to each of them. Partners, members of limited liability companies, and shareholders
17 of tax-option corporations may claim the credit in proportion to their ownership
18 interests.

19 **SECTION 444.** 71.07 (2dy) (d) 2. of the statutes is amended to read:

20 71.07 (2dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
21 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
22 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
23 subsection for the taxable year that includes the day on which the certification is
24 revoked; the taxable year that includes the day on which the claimant becomes
25 ineligible for tax benefits; or succeeding taxable years and the claimant may not

1 carry over unused credits from previous years to offset the tax imposed under s. 71.02
2 or 71.08 for the taxable year that includes the day on which certification is revoked;
3 the taxable year that includes the day on which the claimant becomes ineligible for
4 tax benefits; or succeeding taxable years.

5 **SECTION 445.** 71.07 (3g) (a) (intro.) of the statutes is amended to read:

6 71.07 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
7 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
8 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
9 imposed under s. 71.02 an amount equal to the sum of the following, as established
10 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

11 **SECTION 446.** 71.07 (3g) (b) of the statutes is amended to read:

12 71.07 (3g) (b) The department of revenue shall notify the department of
13 commerce or the Wisconsin Economic Development Corporation of all claims under
14 this subsection.

15 **SECTION 447.** 71.07 (3g) (e) 2. of the statutes is amended to read:

16 71.07 (3g) (e) 2. The investments that relate to the amount described under par.
17 (a) 2. for which a claimant makes a claim under this subsection must be retained for
18 use in the technology zone for the period during which the claimant's business is
19 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

20 **SECTION 448.** 71.07 (3g) (f) 1. of the statutes is amended to read:

21 71.07 (3g) (f) 1. A copy of ~~a the verification from the department of commerce~~
22 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009
23 stats., and that the business ~~and the department of commerce have~~ has entered into
24 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

25 **SECTION 449.** 71.07 (3g) (f) 2. of the statutes is amended to read:

1 71.07 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
2 Economic Development Corporation verifying the purchase price of the investment
3 described under par. (a) 2. and verifying that the investment fulfills the requirement
4 under par. (e) 2.

5 **SECTION 450.** 71.07 (3p) (b) of the statutes is amended to read:

6 71.07 (3p) (b) *Filing claims.* Subject to the limitations provided in this
7 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
8 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
9 claimant may claim as a credit against the taxes imposed under s. 71.02 or 71.08, up
10 to the amount of the tax, an amount equal to 10 percent of the amount the claimant
11 paid in the taxable year for dairy manufacturing modernization or expansion related
12 to the claimant's dairy manufacturing operation.

13 **SECTION 451.** 71.07 (3p) (c) 2m. a. of the statutes is amended to read:

14 71.07 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
15 under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2007-08 is
16 \$600,000, as allocated under s. 560.207, 2009 stats.

17 **SECTION 452.** 71.07 (3p) (c) 2m. b. of the statutes is amended to read:

18 71.07 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
19 by all claimants, other than members of dairy cooperatives, under this subsection
20 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
21 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

22 **SECTION 453.** 71.07 (3p) (c) 2m. bm. of the statutes is amended to read:

23 71.07 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
24 by members of dairy cooperatives under this subsection and ss. 71.28 (3p) and 71.47
25 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and

1 the maximum amount of the credits that may be claimed by members of dairy
2 cooperatives under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year
3 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 93.535
4 or s. 560.207, 2009 stats.

5 **SECTION 454.** 71.07 (3p) (c) 6. of the statutes is amended to read:

6 71.07 (3p) (c) 6. No credit may be allowed under this subsection unless the
7 claimant submits with the claimant's return a copy of the claimant's credit
8 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

9 **SECTION 455.** 71.07 (3q) (a) 1. of the statutes is amended to read:

10 71.07 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
11 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

12 **SECTION 456.** 71.07 (3q) (a) 2. of the statutes is amended to read:

13 71.07 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
14 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
15 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
16 taxable years beginning after December 31, 2010, an eligible employee under s.
17 238.16 (1) (b).

18 **SECTION 457.** 71.07 (3q) (b) (intro.) of the statutes is amended to read:

19 71.07 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
20 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
21 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
22 ss. 71.02 and 71.08 any of the following.

23 **SECTION 458.** 71.07 (3q) (b) 1. of the statutes is amended to read:

24 71.07 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
25 employee in the taxable year, not to exceed 10 percent of such wages, as determined

1 by the Wisconsin Economic Development Corporation under s. 238.16 or the
2 department of commerce under s. 560.2055, 2009 stats.

3 **SECTION 459.** 71.07 (3q) (b) 2. of the statutes is amended to read:

4 71.07 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
5 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
6 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

7 **SECTION 460.** 71.07 (3q) (c) 2. of the statutes is amended to read:

8 71.07 (3q) (c) 2. No credit may be allowed under this subsection unless the
9 claimant includes with the claimant's return a copy of the claimant's certification for
10 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

11 **SECTION 461.** 71.07 (3q) (c) 3. of the statutes is amended to read:

12 71.07 (3q) (c) 3. The maximum amount of credits that may be awarded under
13 this subsection and ss. 71.28 (3q) and 71.47 (3q) for the period beginning on January
14 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
15 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

16 **SECTION 462.** 71.07 (3r) (b) of the statutes is amended to read:

17 71.07 (3r) (b) *Filing claims.* Subject to the limitations provided in this
18 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
19 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
20 against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an
21 amount equal to 10 percent of the amount the claimant paid in the taxable year for
22 meat processing modernization or expansion related to the claimant's meat
23 processing operation.

24 **SECTION 463.** 71.07 (3r) (c) 3. a. of the statutes is amended to read:

1 71.07 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2009-10 is
3 \$300,000, as allocated under s. 560.208, 2009 stats.

4 **SECTION 464.** 71.07 (3r) (c) 3. b. of the statutes is amended to read:

5 71.07 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
6 under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2010-11, and in
7 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
8 2009 stats.

9 **SECTION 465.** 71.07 (3r) (c) 6. of the statutes is amended to read:

10 71.07 (3r) (c) 6. No credit may be allowed under this subsection unless the
11 claimant submits with the claimant's return a copy of the claimant's credit
12 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

13 **SECTION 466.** 71.07 (3rm) (b) of the statutes is amended to read:

14 71.07 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
15 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
16 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
17 against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an
18 amount equal to 10 percent of the amount the claimant paid in the taxable year for
19 equipment that is used primarily to harvest or process woody biomass that is used
20 as fuel or as a component of fuel.

21 **SECTION 467.** 71.07 (3rm) (c) 3. of the statutes is amended to read:

22 71.07 (3rm) (c) 3. The maximum amount of the credits that may be claimed
23 under this subsection and ss. 71.28 (3rm) and 71.47 (3rm) is \$900,000, as allocated
24 under s. 238.21 or s. 560.209, 2009 stats.

25 **SECTION 468.** 71.07 (3rn) (b) of the statutes is amended to read:

1 71.07 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
3 beginning after December 31, 2009, and before January 1, 2017, a claimant may
4 claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount
5 of the tax, an amount equal to 10 percent of the amount the claimant paid in the
6 taxable year for food processing or food warehousing modernization or expansion
7 related to the operation of the claimant's food processing plant or food warehouse.

8 **SECTION 469.** 71.07 (3rn) (c) 3. a. of the statutes is amended to read:

9 71.07 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
10 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
11 \$1,000,000, as allocated under s. ~~560.2056, 2009 stats.~~

12 **SECTION 470.** 71.07 (3rn) (c) 3. b. of the statutes is amended to read:

13 71.07 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
14 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
15 \$1,200,000, as allocated under s. ~~560.2056, 2009 stats.~~

16 **SECTION 471.** 71.07 (3rn) (c) 3. c. of the statutes is amended to read:

17 71.07 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
18 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
19 in each year thereafter, is \$700,000, as allocated under s. ~~238.17 or s. 560.2056, 2009~~
20 stats.

21 **SECTION 472.** 71.07 (3rn) (c) 6. of the statutes is amended to read:

22 71.07 (3rn) (c) 6. No credit may be allowed under this subsection unless the
23 claimant submits with the claimant's return a copy of the claimant's credit
24 certification and allocation under s. ~~238.17 or s. 560.2056, 2009 stats.~~

25 **SECTION 473.** 71.07 (3t) (b) of the statutes is amended to read:

1 71.07 (3t) (b) *Credit*. Subject to the limitations provided in this subsection and
2 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
3 claimant may claim as a credit, amortized over 15 taxable years starting with the
4 taxable year beginning after December 31, 2007, against the tax imposed under s.
5 71.02 and 71.08, up to the amount of the tax, an amount equal to the claimant's
6 unused credits under s. 71.07 (3s).

7 **SECTION 474.** 71.07 (3t) (c) 1. of the statutes is amended to read:

8 71.07 (3t) (c) 1. No credit may be claimed under this subsection unless the
9 claimant submits with the claimant's return a copy of the claimant's certification by
10 the department of commerce under s. 560.28, 2009 stats., except that, with regard
11 to credits claimed by partners of a partnership, members of a limited liability
12 company, or shareholders of a tax-option corporation, the entity shall provide a copy
13 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
14 to submit with his or her return.

15 **SECTION 475.** 71.07 (3w) (a) 2. of the statutes is amended to read:

16 71.07 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
17 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
18 this subsection.

19 **SECTION 476.** 71.07 (3w) (a) 3. of the statutes is amended to read:

20 71.07 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
21 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

22 **SECTION 477.** 71.07 (3w) (a) 4. of the statutes is amended to read:

23 71.07 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
24 or s. 560.799, 2009 stats.

25 **SECTION 478.** 71.07 (3w) (a) 5d. of the statutes is amended to read:

1 71.07 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
2 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
3 560.799, 2009 stats.

4 **SECTION 479.** 71.07 (3w) (a) 5e. of the statutes is amended to read:

5 71.07 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
6 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
7 560.799, 2009 stats.

8 **SECTION 480.** 71.07 (3w) (b) (intro.) of the statutes is amended to read:

9 71.07 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
10 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
11 claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount
12 calculated as follows:

13 **SECTION 481.** 71.07 (3w) (b) 5. of the statutes is amended to read:

14 71.07 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
15 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
16 560.799, 2009 stats., not to exceed 7 percent.

17 **SECTION 482.** 71.07 (3w) (bm) 1. of the statutes is amended to read:

18 71.07 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
19 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
20 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
21 s. 71.02 or 71.08 an amount equal to a percentage, as determined ~~by the department~~
22 of commerce under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent,
23 of the amount the claimant paid in the taxable year to upgrade or improve the
24 job-related skills of any of the claimant's full-time employees, to train any of the
25 claimant's full-time employees on the use of job-related new technologies, or to

1 provide job-related training to any full-time employee whose employment with the
2 claimant represents the employee's first full-time job. This subdivision does not
3 apply to employees who do not work in an enterprise zone.

4 **SECTION 483.** 71.07 (3w) (bm) 2. of the statutes is amended to read:

5 71.07 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
6 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
7 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
8 s. 71.02 or 71.08 an amount equal to the percentage, as determined by ~~the~~
9 ~~department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7
10 percent, of the claimant's zone payroll paid in the taxable year to all of the claimant's
11 full-time employees whose annual wages are greater than \$20,000 in a tier I county
12 or municipality, not including the wages paid to the employees determined under
13 par. (b) 1., or greater than \$30,000 in a tier II county or municipality, not including
14 the wages paid to the employees determined under par. (b) 1., and who the claimant
15 employed in the enterprise zone in the taxable year, if the total number of such
16 employees is equal to or greater than the total number of such employees in the base
17 year. A claimant may claim a credit under this subdivision for no more than 5
18 consecutive taxable years.

19 **SECTION 484.** 71.07 (3w) (bm) 3. of the statutes is amended to read:

20 71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
21 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
22 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
23 may claim as a credit against the tax imposed under s. 71.02 or 71.08 up to 10 percent
24 of the claimant's significant capital expenditures, as determined by ~~the department~~
25 ~~of commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

1 **SECTION 485.** 71.07 (3w) (bm) 4. of the statutes is amended to read:

2 71.07 (**3w**) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
3 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
4 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
5 may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to 1 percent
6 of the amount that the claimant paid in the taxable year to purchase tangible
7 personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
8 services from Wisconsin vendors, as determined ~~by the department of commerce~~
9 under s. 238.399 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may
10 not claim the credit under this subdivision and subd. 3. for the same expenditures.

11 **SECTION 486.** 71.07 (3w) (c) 3. of the statutes is amended to read:

12 71.07 (**3w**) (c) 3. No credit may be allowed under this subsection unless the
13 claimant includes with the claimant's return a copy of the claimant's certification for
14 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

15 **SECTION 487.** 71.07 (3w) (d) of the statutes is amended to read:

16 71.07 (**3w**) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
17 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
18 include with their returns a copy of their certification for tax benefits, and a copy of
19 the verification of their expenses, from the department of commerce or the Wisconsin
20 Economic Development Corporation.

21 **SECTION 488.** 71.07 (5b) (a) 2. of the statutes is amended to read:

22 71.07 (**5b**) (a) 2. "Fund manager" means an investment fund manager certified
23 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

24 **SECTION 489.** 71.07 (5b) (b) 1. of the statutes is amended to read:

1 71.07 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
2 to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009
3 stats., and except as provided in subd. 2., a claimant may claim as a credit against
4 the tax imposed under ss. 71.02 and 71.08, up to the amount of those taxes, 25 percent
5 of the claimant's investment paid to a fund manager that the fund manager invests
6 in a business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

7 **SECTION 490.** 71.07 (5b) (b) 2. of the statutes is amended to read:

8 71.07 (5b) (b) 2. In the case of a partnership, limited liability company, or
9 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
10 shall be determined at the entity level rather than the claimant level and may be
11 allocated among the claimants who make investments in the manner set forth in the
12 entity's organizational documents. The entity shall provide to the department of
13 revenue and to the department of commerce or the Wisconsin Economic
14 Development Corporation the names and tax identification numbers of the
15 claimants, the amounts of the credits allocated to the claimants, and the
16 computation of the allocations.

17 **SECTION 491.** 71.07 (5d) (a) 1. (intro.) of the statutes is amended to read:

18 71.07 (5d) (a) 1. (intro.) "Bona fide angel investment" means a purchase of an
19 equity interest, or any other expenditure, as determined by rule under s. 238.15 or
20 s. 560.205, 2009 stats., that is made by any of the following:

21 **SECTION 492.** 71.07 (5d) (a) 3. of the statutes is amended to read:

22 71.07 (5d) (a) 3. "Qualified new business venture" means a business that is
23 certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

24 **SECTION 493.** 71.07 (5d) (b) (intro.) of the statutes is amended to read:

1 71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection and in s. 238.15 or s. 560.205, 2009 stats., a claimant may claim as a credit
3 against the tax imposed under s. 71.02 or 71.08, up to the amount of those taxes, the
4 following:

5 **SECTION 494.** 71.07 (5d) (b) 1. of the statutes is amended to read:

6 71.07 (5d) (b) 1. For taxable years beginning before January 1, 2008, in each
7 taxable year for 2 consecutive years, beginning with the taxable year as certified by
8 the department of commerce or the Wisconsin Economic Development Corporation,
9 an amount equal to 12.5 percent of the claimant's bona fide angel investment made
10 directly in a qualified new business venture.

11 **SECTION 495.** 71.07 (5d) (b) 2. of the statutes is amended to read:

12 71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the
13 taxable year certified by the department of commerce or the Wisconsin Economic
14 Development Corporation, an amount equal to 25 percent of the claimant's bona fide
15 angel investment made directly in a qualified new business venture.

16 **SECTION 496.** 71.07 (5d) (c) 2. of the statutes is amended to read:

17 71.07 (5d) (c) 2. For taxable years beginning before January 1, 2008, the
18 maximum amount of a claimant's investment that may be used as the basis for a
19 credit under this subsection is \$2,000,000 for each investment made directly in a
20 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

21 **SECTION 497.** 71.07 (5f) (a) 1. (intro.) of the statutes is amended to read:

22 71.07 (5f) (a) 1. "Accredited production" means a film, video, broadcast
23 advertisement, or television production, as approved by the department of commerce
24 or the department of tourism, for which the aggregate salary and wages included in
25 the cost of the production for the period ending 12 months after the month in which

1 the principal filming or taping of the production begins exceeds \$50,000. "Accredited
2 production" also means an electronic game, as approved by the department of
3 commerce or the department of tourism, for which the aggregate salary and wages
4 included in the cost of the production for the period ending 36 months after the month
5 in which the principal programming, filming, or taping of the production begins
6 exceeds \$100,000. "Accredited production" does not include any of the following,
7 regardless of the production costs:

8 **SECTION 498.** 71.07 (5f) (a) 3. of the statutes is amended to read:

9 71.07 (5f) (a) 3. "Production expenditures" means any expenditures that are
10 incurred in this state and directly used to produce an accredited production,
11 including expenditures for set construction and operation, wardrobes, make-up,
12 clothing accessories, photography, sound recording, sound synchronization, sound
13 mixing, lighting, editing, film processing, film transferring, special effects, visual
14 effects, renting or leasing facilities or equipment, renting or leasing motor vehicles,
15 food, lodging, and any other similar expenditure as determined by the department
16 of commerce or the department of tourism. "Production expenditures" do not include
17 salary, wages, or labor-related contract payments.

18 **SECTION 499.** 71.07 (5f) (c) 6. of the statutes is amended to read:

19 71.07 (5f) (c) 6. No credit may be allowed under this subsection unless the
20 claimant files an application with the department of commerce or the department of
21 tourism, at the time and in the manner prescribed by the department of commerce
22 or the department of tourism, and the department of commerce or the department
23 of tourism approves the application. The claimant shall submit a fee with the
24 application in an amount equal to 2 percent of the claimant's budgeted production

1 expenditures or to \$5,000, whichever is less. The claimant shall submit a copy of the
2 approved application with the claimant's return.

3 **SECTION 500.** 71.07 (5h) (c) 4. of the statutes is amended to read:

4 71.07 (5h) (c) 4. No claim may be allowed under this subsection unless the
5 department of commerce or the department of tourism certifies, in writing, that the
6 credits claimed under this subsection are for expenses related to establishing or
7 operating a film production company in this state and the claimant submits a copy
8 of the certification with the claimant's return.

9 **SECTION 501.** 71.07 (5i) (c) 1. of the statutes is amended to read:

10 71.07 (5i) (c) 1. The maximum amount of the credits that may be claimed under
11 this subsection and ss. 71.28 (5i) and 71.47 (5i) in a taxable year is \$10,000,000, as
12 allocated under s. 238.14 or s. 560.204, 2009 stats.

13 **SECTION 502.** 71.07 (5j) (a) 2d. of the statutes is amended to read:

14 71.07 (5j) (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and
15 any other fuel derived from a renewable resource that meets all of the applicable
16 requirements of the American Society for Testing and Materials for that fuel and that
17 the department of commerce or the department of safety and professional services
18 designates by rule as a diesel replacement renewable fuel.

19 **SECTION 503.** 71.07 (5j) (a) 2m. of the statutes is amended to read:

20 71.07 (5j) (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and
21 any other fuel derived from a renewable resource that meets all of the applicable
22 requirements of the American Society for Testing and Materials for that fuel and that
23 the department of commerce or the department of safety and professional services
24 designates by rule as a gasoline replacement renewable fuel.

25 **SECTION 504.** 71.07 (5j) (c) 3. of the statutes is amended to read:

1 71.07 **(5j)** (c) 3. The department of commerce or the department of safety and
2 professional services shall establish standards to adequately prevent, in the
3 distribution of conventional fuel to an end user, the inadvertent distribution of fuel
4 containing a higher percentage of renewable fuel than the maximum percentage
5 established by the federal environmental protection agency for use in
6 conventionally-fueled engines.

7 **SECTION 505.** 71.28 (1dd) (b) of the statutes is amended to read:

8 71.28 **(1dd)** (b) Except as provided in s. 73.03 (35), for any taxable year for
9 which that person is certified under s. 560.765 (3), 2009 stats., and begins business
10 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, entitled under
11 s. 560.795 (3) (a), 2009 stats., and begins business operations in a zone under s.
12 560.795, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009
13 stats., for each zone for which the person is certified or entitled a person may credit
14 against taxes otherwise due under this subchapter employment-related day care
15 expenses, up to \$1,200 for each qualifying individual.

16 **SECTION 506.** 71.28 (1dd) (e) of the statutes is amended to read:

17 71.28 **(1dd)** (e) The credit under this subsection, as it applies to a person
18 certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts
19 economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to
20 tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795
21 (2), 2009 stats. A credit under this subsection may be credited using expenses
22 incurred by a claimant on July 29, 1995.

23 **SECTION 507.** 71.28 (1de) (a) (intro.) of the statutes is amended to read:

24 71.28 **(1de)** (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year
25 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business

1 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, entitled under
2 s. 560.795 (3) (a), 2009 stats., and begins business operations in a zone under s.
3 560.795, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009
4 stats., for each zone for which the person is certified or entitled the person may claim
5 as a credit against taxes otherwise due under this subchapter an amount equal to
6 7.5% of the amount that the person expends to remove or contain environmental
7 pollution, as defined in s. 299.01 (4), in the zone or to restore soil or groundwater that
8 is affected by environmental pollution, as defined in s. 299.01 (4), in the zone if the
9 person fulfills all of the following requirements:

10 **SECTION 508.** 71.28 (1de) (a) 1. of the statutes is amended to read:

11 71.28 (1de) (a) 1. Begins the work, other than planning and investigating, for
12 which the credit is claimed after the area that includes the site where the work is
13 done is designated a development zone under s. 560.71, 2009 stats., a development
14 opportunity zone under s. 560.795, 2009 stats., or an enterprise development zone
15 under s. 560.797, 2009 stats., and after the claimant is certified under s. 560.765 (3),
16 2009 stats., entitled under s. 560.795 (3) (a), 2009 stats., or certified under s. 560.797
17 (4) (a), 2009 stats.

18 **SECTION 509.** 71.28 (1de) (d) of the statutes is amended to read:

19 71.28 (1de) (d) The credit under this subsection, as it applies to a person
20 certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts
21 economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to
22 tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795
23 (2), 2009 stats. A credit under this subsection may be credited using expenses
24 incurred by a claimant on July 29, 1995.

25 **SECTION 510.** 71.28 (1di) (a) (intro.) of the statutes is amended to read:

1 71.28 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
2 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,
3 to claim tax benefits, any person may claim as a credit against taxes otherwise due
4 under this chapter 2.5% of the purchase price of depreciable, tangible personal
5 property, or 1.75% of the purchase price of depreciable, tangible personal property
6 that is expensed under section 179 of the internal revenue code for purposes of the
7 taxes under this chapter, except that:

8 **SECTION 511.** 71.28 (1di) (a) 1. of the statutes is amended to read:

9 71.28 (1di) (a) 1. The investment must be in property that is purchased after
10 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
11 is used for at least 50% of its use in the conduct of the person's business operations
12 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
13 property is mobile, the base of operations of the property for at least 50% of its use
14 must be a location in a development zone.

15 **SECTION 512.** 71.28 (1di) (b) 2. of the statutes is amended to read:

16 71.28 (1di) (b) 2. If the claimant is located on an Indian reservation, as defined
17 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
18 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
19 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
20 under this subsection exceeds the taxes otherwise due under this chapter on or
21 measured by the claimant's income, the amount of the credit not used as an offset
22 against those taxes shall be certified to the department of administration for
23 payment to the claimant by check, share draft or other draft.

24 **SECTION 513.** 71.28 (1di) (b) 3. of the statutes is amended to read:

1 71.28 (1di) (b) 3. Partnerships, limited liability companies and tax-option
2 corporations may not claim the credit under this subsection, but the eligibility for,
3 and amount of, that credit shall be determined on the basis of their economic activity,
4 not that of their shareholders, partners or members. The corporation, partnership
5 or limited liability company shall compute the amount of the credit that may be
6 claimed by each of its shareholders, partners or members and shall provide that
7 information to each of its shareholders, partners or members. Partners, members
8 of limited liability companies and shareholders of tax-option corporations may claim
9 the credit based on the partnership's, company's or corporation's activities in
10 proportion to their ownership interest and may offset it against the tax attributable
11 to their income from the partnership's, company's or corporation's business
12 operations in the development zone; except that partners, members, and
13 shareholders in a development zone under s. 560.795 (1) (e), 2009 stats., may offset
14 the credit against the amount of the tax attributable to their income from all of the
15 partnership's, company's, or corporation's business operations; and against the tax
16 attributable to their income from the partnership's, company's or corporation's
17 directly related business operations.

18 **SECTION 514.** 71.28 (1di) (d) 1. of the statutes is amended to read:

19 71.28 (1di) (d) 1. A copy of a verification from the department of commerce that
20 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

21 **SECTION 515.** 71.28 (1di) (f) of the statutes is amended to read:

22 71.28 (1di) (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
23 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
24 credits under this subsection for the taxable year that includes the day on which the
25 person becomes ineligible for tax benefits or succeeding taxable years and that

1 person may carry over no unused credits from previous years to offset tax under this
2 chapter for the taxable year that includes the day on which the person becomes
3 ineligible for tax benefits or succeeding taxable years.

4 **SECTION 516.** 71.28 (1di) (g) of the statutes is amended to read:

5 71.28 (1di) (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
6 claim tax benefits ceases business operations in the development zone during any of
7 the taxable years that that zone exists, that person may not carry over to any taxable
8 year following the year during which operations cease any unused credits from the
9 taxable year during which operations cease or from previous taxable years.

10 **SECTION 517.** 71.28 (1di) (i) of the statutes is amended to read:

11 71.28 (1di) (i) The development zones credit under this subsection, as it applies
12 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
13 conducts economic activity in a development opportunity zone under s. 560.795 (1),
14 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
15 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
16 zone credit under this paragraph may be calculated using expenses incurred by a
17 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
18 development opportunity zone designation of the area in which the claimant
19 conducts economic activity.

20 **SECTION 518.** 71.28 (1dj) (am) (intro.) of the statutes is amended to read:

21 71.28 (1dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
22 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
23 for tax benefits, any person may claim as a credit against taxes otherwise due under
24 this chapter an amount calculated as follows:

25 **SECTION 519.** 71.28 (1dj) (am) 4. a. of the statutes is amended to read:

1 71.28 (1dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
2 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)
3 of the internal revenue code to exclude wages paid before the claimant is certified for
4 tax benefits and to exclude wages that are paid to employees for work at any location
5 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
6 of this subd. 4. a., mobile employees work at their base of operations and leased or
7 rented employees work at the location where they perform services.

8 **SECTION 520.** 71.28 (1dj) (am) 4. b. of the statutes is amended to read:

9 71.28 (1dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
10 benefits after December 31, 1991, modify “qualified wages” as defined in section 51
11 (b) of the internal revenue code to exclude wages paid before the claimant is certified
12 for tax benefits and to exclude wages that are paid to employees for work at any
13 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
14 purposes of this subd. 4. b., mobile employees and leased or rented employees work
15 at their base of operations.

16 **SECTION 521.** 71.28 (1dj) (am) 4c. of the statutes is amended to read:

17 71.28 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
18 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
19 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
20 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
21 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

22 **SECTION 522.** 71.28 (1dj) (am) 4t. of the statutes is amended to read:

23 71.28 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
24 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
25 for leased or rented employees, except employees of a leasing agency certified for tax

benefits who perform services directly for the agency in a development zone, the minimum employment periods apply to the time that they perform services in a development zone for a single lessee or renter, not to their employment by the leasing agency.

SECTION 523. 71.28 (1dj) (e) 1. of the statutes is amended to read:

71.28 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s. 560.765 (3), 2009 stats.

SECTION 524. 71.28 (1dj) (e) 3. a. of the statutes is amended to read:

71.28 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits before January 1, 1992, a statement from the department of commerce verifying the amount of qualifying wages and verifying that the employees were hired for work only in a development zone or are mobile employees whose base of operations is in a development zone.

SECTION 525. 71.28 (1dj) (e) 3. b. of the statutes is amended to read:

71.28 (1dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits after December 31, 1991, a statement from the department of commerce verifying the amount of qualifying wages and verifying that the employees were hired for work only in a development zone or are mobile employees or leased or rented employees whose base of operations is in a development zone.

SECTION 526. 71.28 (1dj) (i) of the statutes is amended to read:

71.28 (1dj) (i) The development zones credit under this subsection, as it applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts economic activity in a development opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity

1 zone credit under this paragraph may be calculated using expenses incurred by a
2 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
3 development opportunity zone designation of the area in which the claimant
4 conducts economic activity.

5 **SECTION 527.** 71.28 (1dL) (a) of the statutes is amended to read:

6 71.28 (1dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
7 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
8 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
9 under this subchapter an amount equal to 2.5% of the amount expended by that
10 person to acquire, construct, rehabilitate or repair real property in a development
11 zone under subch. VI of ch. 560, 2009 stats.

12 **SECTION 528.** 71.28 (1dL) (ag) of the statutes is amended to read:

13 71.28 (1dL) (ag) If the credit under par. (a) is claimed for an amount expended
14 to construct, rehabilitate, remodel or repair property, the claimant must have begun
15 the physical work of construction, rehabilitation, remodeling or repair, or any
16 demolition or destruction in preparation for the physical work, after the place where
17 the property is located was designated a development zone under s. 560.71, 2009
18 stats., and the completed project must be placed in service after the claimant is
19 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, "physical
20 work" does not include preliminary activities such as planning, designing, securing
21 financing, researching, developing specifications or stabilizing the property to
22 prevent deterioration.

23 **SECTION 529.** 71.28 (1dL) (ar) of the statutes is amended to read:

24 71.28 (1dL) (ar) If the credit under par. (a) is claimed for an amount expended
25 to acquire property, the property must have been acquired by the claimant after the

1 place where the property is located was designated a development zone under s.
2 560.71, 2009 stats., and the completed project must be placed in service after the
3 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
4 property must not have been previously owned by the claimant or a related person
5 during the 2 years prior to the designation of the development zone under s. 560.71,
6 2009 stats. No credit is allowed for an amount expended to acquire property until
7 the property, either in its original state as acquired by the claimant or as
8 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

9 **SECTION 530.** 71.28 (1dL) (bm) of the statutes is amended to read:

10 71.28 (1dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
11 the amount expended to acquire property by a percentage equal to the percentage of
12 the area of the real property not used for the purposes for which the claimant is
13 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
14 amount expended for other purposes by the amount expended on the part of the
15 property not used for the purposes for which the claimant is certified to claim tax
16 benefits under s. 560.765 (3), 2009 stats.

17 **SECTION 531.** 71.28 (1dL) (c) of the statutes is amended to read:

18 71.28 (1dL) (c) If the claimant is located on an Indian reservation, as defined
19 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
20 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
21 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
22 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
23 the claimant's income, the amount of the credit not used as an offset against those
24 taxes shall be certified to the department of administration for payment to the
25 claimant by check, share draft or other draft.

1 **SECTION 532.** 71.28 (1dL) (i) of the statutes is amended to read:

2 71.28 (1dL) (i) The development zones credit under this subsection, as it
3 applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation
4 that conducts economic activity in a development opportunity zone under s. 560.795
5 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
6 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
7 zone credit under this paragraph may be calculated using expenses incurred by a
8 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
9 development opportunity zone designation of the area in which the claimant
10 conducts economic activity.

11 **SECTION 533.** 71.28 (1dm) (a) 1. of the statutes is amended to read:

12 71.28 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
13 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
14 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
15 s. or 560.7995 (4), 2009 stats.

16 **SECTION 534.** 71.28 (1dm) (a) 3. of the statutes is amended to read:

17 71.28 (1dm) (a) 3. "Development zone" means a development opportunity zone
18 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
19 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
20 560.7995, 2009 stats.

21 **SECTION 535.** 71.28 (1dm) (a) 4. of the statutes is amended to read:

22 71.28 (1dm) (a) 4. "Previously owned property" means real property that the
23 claimant or a related person owned during the 2 years prior to the department of
24 commerce or the Wisconsin Economic Development Corporation designating the
25 place where the property is located as a development zone and for which the claimant

1 may not deduct a loss from the sale of the property to, or an exchange of the property
2 with, the related person under section 267 of the Internal Revenue Code, except that
3 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
4 any part of the property, rather than 50% ownership, the claimant is subject to
5 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

6 **SECTION 536.** 71.28 (1dm) (f) 1. of the statutes is amended to read:

7 71.28 (1dm) (f) 1. A copy of ~~a~~ the verification from the department of commerce
8 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
9 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
10 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

11 **SECTION 537.** 71.28 (1dm) (f) 2. of the statutes is amended to read:

12 71.28 (1dm) (f) 2. A statement from the department of commerce or the
13 Wisconsin Economic Development Corporation verifying the purchase price of the
14 investment and verifying that the investment fulfills the requirements under par.
15 (b).

16 **SECTION 538.** 71.28 (1dm) (i) of the statutes is amended to read:

17 71.28 (1dm) (i) Partnerships, limited liability companies, and tax-option
18 corporations may not claim the credit under this subsection, but the eligibility for,
19 and the amount of, that credit shall be determined on the basis of their economic
20 activity, not that of their shareholders, partners, or members. The corporation,
21 partnership, or limited liability company shall compute the amount of credit that
22 may be claimed by each of its shareholders, partners, or members and provide that
23 information to its shareholders, partners, or members. Partners, members of limited
24 liability companies, and shareholders of tax-option corporations may claim the
25 credit based on the partnership's, company's, or corporation's activities in proportion

1 to their ownership interest and may offset it against the tax attributable to their
2 income from the partnership's, company's, or corporation's business operations in the
3 development zone; except that partners, members, and shareholders in a
4 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
5 the credit against the amount of the tax attributable to their income.

6 **SECTION 539.** 71.28 (1dm) (j) of the statutes is amended to read:

7 71.28 (1dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
8 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
9 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
10 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
11 revoked, that person may claim no credits under this subsection for the taxable year
12 that includes the day on which the person becomes ineligible for tax benefits, the
13 taxable year that includes the day on which the certification is revoked, or succeeding
14 taxable years, and that person may carry over no unused credits from previous years
15 to offset tax under this chapter for the taxable year that includes the day on which
16 the person becomes ineligible for tax benefits, the taxable year that includes the day
17 on which the certification is revoked, or succeeding taxable years.

18 **SECTION 540.** 71.28 (1dm) (k) of the statutes is amended to read:

19 71.28 (1dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
20 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
21 239.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
22 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
23 during any of the taxable years that that zone exists, that person may not carry over
24 to any taxable year following the year during which operations cease any unused

1 credits from the taxable year during which operations cease or from previous taxable
2 years.

3 **SECTION 541.** 71.28 (1ds) (a) 1. of the statutes is amended to read:

4 71.28 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
5 2009 stats.

6 **SECTION 542.** 71.28 (1ds) (b) of the statutes is amended to read:

7 71.28 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
8 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
9 for tax benefits, any person may claim as a credit against taxes otherwise due under
10 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
11 and rentals of eligible property. Partnerships, limited liability companies and
12 tax-option corporations may not claim the credit under this subsection, but the
13 eligibility for, and the amount of, that credit shall be determined on the basis of their
14 economic activity, not that of their partners, members or shareholders. The
15 partnership, limited liability company or corporation shall compute the amount of
16 credit that may be claimed by each of its partners, members or shareholders and
17 shall provide that information to its partners, members or shareholders. Partners,
18 members of limited liability companies and shareholders of tax-option corporations
19 may claim the credit based on the partnership's, company's or corporation's activities
20 in proportion to their ownership interest.

21 **SECTION 543.** 71.28 (1ds) (d) 1. of the statutes is amended to read:

22 71.28 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
23 s. 560.765 (3), 2009 stats.

24 **SECTION 544.** 71.28 (1ds) (i) of the statutes is amended to read:

1 71.28 (1ds) (i) The development zones credit under this subsection, as it applies
2 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
3 conducts economic activity in a development opportunity zone under s. 560.795 (1),
4 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
5 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
6 zone credit under this paragraph may be calculated using expenses incurred by a
7 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
8 development opportunity zone designation of the area in which the claimant
9 conducts economic activity.

10 **SECTION 545.** 71.28 (1dx) (a) 2. of the statutes is amended to read:

11 71.28 (1dx) (a) 2. "Development zone" means a development zone under s.
12 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
13 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
14 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
15 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
16 560.7995, 2009 stats.

17 **SECTION 546.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

18 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
19 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
20 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
21 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
22 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
23 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
24 the taxes otherwise due under this chapter the following amounts:

25 **SECTION 547.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

1 71.28 (1dx) (b) 2. The amount determined by multiplying the amount
2 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
3 of full-time jobs created in a development zone and filled by a member of a targeted
4 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
5 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

6 **SECTION 548.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

7 71.28 (1dx) (b) 3. The amount determined by multiplying the amount
8 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
9 of full-time jobs created in a development zone and not filled by a member of a
10 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
11 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

12 **SECTION 549.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

13 71.28 (1dx) (b) 4. The amount determined by multiplying the amount
14 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
15 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
16 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
17 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
18 and for which significant capital investment was made and by then subtracting the
19 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
20 under s. 49.147 (3m) (c) for those jobs.

21 **SECTION 550.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

22 71.28 (1dx) (b) 5. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
24 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
25 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in

1 a development zone and not filled by a member of a targeted group and by then
2 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
3 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

4 **SECTION 551.** 71.28 (1dx) (be) of the statutes is amended to read:

5 71.28 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395
6 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
7 subsection, including any credits carried over, against the amount of the tax
8 otherwise due under this subchapter attributable to all of the claimant's income and
9 against the tax attributable to income from directly related business operations of
10 the claimant.

11 **SECTION 552.** 71.28 (1dx) (bg) of the statutes is amended to read:

12 71.28 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
13 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
14 companies, and tax-option corporations may not claim the credit under this
15 subsection, but the eligibility for, and amount of, that credit shall be determined on
16 the basis of their economic activity, not that of their shareholders, partners, or
17 members. The corporation, partnership, or company shall compute the amount of
18 the credit that may be claimed by each of its shareholders, partners, or members and
19 shall provide that information to each of its shareholders, partners, or members.
20 Partners, members of limited liability companies, and shareholders of tax-option
21 corporations may claim the credit based on the partnership's, company's, or
22 corporation's activities in proportion to their ownership interest and may offset it
23 against the tax attributable to their income.

24 **SECTION 553.** 71.28 (1dx) (c) of the statutes is amended to read:

1 71.28 (1dx) (c) *Credit precluded*. If the certification of a person for tax benefits
2 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
3 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
4 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395
5 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
6 subsection for the taxable year that includes the day on which the certification is
7 revoked; the taxable year that includes the day on which the person becomes
8 ineligible for tax benefits; or succeeding taxable years and that person may not carry
9 over unused credits from previous years to offset tax under this chapter for the
10 taxable year that includes the day on which certification is revoked; the taxable year
11 that includes the day on which the person becomes ineligible for tax benefits; or
12 succeeding taxable years.

13 **SECTION 554.** 71.28 (1dx) (d) of the statutes is amended to read:

14 71.28 (1dx) (d) *Carry-over precluded*. If a person who is entitled under s.
15 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
16 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
17 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
18 tax benefits ceases business operations in the development zone during any of the
19 taxable years that that zone exists, that person may not carry over to any taxable
20 year following the year during which operations cease any unused credits from the
21 taxable year during which operations cease or from previous taxable years.

22 **SECTION 555.** 71.28 (1dy) (a) of the statutes is amended to read:

23 71.28 (1dy) (a) *Definition*. In this subsection, “claimant” means a person who
24 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701

1 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
2 2009 stats.

3 **SECTION 556.** 71.28 (1dy) (b) of the statutes is amended to read:

4 71.28 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
5 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
6 beginning after December 31, 2008, a claimant may claim as a credit against the tax
7 imposed under s. 71.23, up to the amount of the tax, the amount authorized for the
8 claimant under s. 238.303 or s. 560.703, 2009 stats.

9 **SECTION 557.** 71.28 (1dy) (c) 1. of the statutes is amended to read:

10 71.28 (1dy) (c) 1. No credit may be allowed under this subsection unless the
11 claimant includes with the claimant's return a copy of the claimant's certification
12 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
13 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

14 **SECTION 558.** 71.28 (1dy) (c) 2. of the statutes is amended to read:

15 71.28 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
16 corporations may not claim the credit under this subsection, but the eligibility for,
17 and the amount of, the credit are based on their authorization to claim tax benefits
18 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
19 or tax-option corporation shall compute the amount of credit that each of its
20 partners, members, or shareholders may claim and shall provide that information
21 to each of them. Partners, members of limited liability companies, and shareholders
22 of tax-option corporations may claim the credit in proportion to their ownership
23 interests.

24 **SECTION 559.** 71.28 (1dy) (d) 2. of the statutes is amended to read:

1 71.28 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
2 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
3 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
4 subsection for the taxable year that includes the day on which the certification is
5 revoked; the taxable year that includes the day on which the claimant becomes
6 ineligible for tax benefits; or succeeding taxable years and the claimant may not
7 carry over unused credits from previous years to offset the tax imposed under s. 71.23
8 for the taxable year that includes the day on which certification is revoked; the
9 taxable year that includes the day on which the claimant becomes ineligible for tax
10 benefits; or succeeding taxable years.

11 **SECTION 560.** 71.28 (3g) (a) (intro.) of the statutes is amended to read:

12 71.28 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
13 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
14 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
15 imposed under s. 71.23 an amount equal to the sum of the following, as established
16 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

17 **SECTION 561.** 71.28 (3g) (b) of the statutes is amended to read:

18 71.28 (3g) (b) The department of revenue shall notify the department of
19 commerce or the Wisconsin Economic Development Corporation of all claims under
20 this subsection.

21 **SECTION 562.** 71.28 (3g) (e) 2. of the statutes is amended to read:

22 71.28 (3g) (e) 2. The investments that relate to the amount described under par.
23 (a) 2. for which a claimant makes a claim under this subsection must be retained for
24 use in the technology zone for the period during which the claimant's business is
25 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

1 **SECTION 563.** 71.28 (3g) (f) 1. of the statutes is amended to read:

2 71.28 **(3g)** (f) 1. A copy of ~~a the verification from the department of commerce~~
3 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009
4 stats., and that the business ~~and the department of commerce have~~ has entered into
5 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

6 **SECTION 564.** 71.28 (3g) (f) 2. of the statutes is amended to read:

7 71.28 **(3g)** (f) 2. A statement from the department of commerce or the Wisconsin
8 Economic Development Corporation verifying the purchase price of the investment
9 described under par. (a) 2. and verifying that the investment fulfills the requirement
10 under par. (e) 2.

11 **SECTION 565.** 71.28 (3p) (b) of the statutes is amended to read:

12 71.28 **(3p)** (b) *Filing claims.* Subject to the limitations provided in this
13 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
14 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
15 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
16 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
17 in the taxable year for dairy manufacturing modernization or expansion related to
18 the claimant's dairy manufacturing operation.

19 **SECTION 566.** 71.28 (3p) (c) 2m. a. of the statutes is amended to read:

20 71.28 **(3p)** (c) 2m. a. The maximum amount of the credits that may be claimed
21 under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is
22 \$600,000, as allocated under s. 560.207, 2009 stats.

23 **SECTION 567.** 71.28 (3p) (c) 2m. b. of the statutes is amended to read:

24 71.28 **(3p)** (c) 2m. b. The maximum amount of the credits that may be claimed
25 by all claimants, other than members of dairy cooperatives, under this subsection

1 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
2 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

3 **SECTION 568.** 71.28 (3p) (c) 2m. bm. of the statutes is amended to read:

4 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
5 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
6 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
7 the maximum amount of the credits that may be claimed by members of dairy
8 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
9 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 93.535
10 or s. 560.207, 2009 stats.

11 **SECTION 569.** 71.28 (3p) (c) 6. of the statutes is amended to read:

12 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
13 claimant submits with the claimant's return a copy of the claimant's credit
14 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

15 **SECTION 570.** 71.28 (3q) (a) 1. of the statutes is amended to read:

16 71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
17 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

18 **SECTION 571.** 71.28 (3q) (a) 2. of the statutes is amended to read:

19 71.28 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
20 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
21 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
22 taxable years beginning after December 31, 2010, an eligible employee under s.
23 238.16 (1) (b).

24 **SECTION 572.** 71.28 (3q) (b) (intro.) of the statutes is amended to read:

1 71.28 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
3 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
4 s. 71.23 any of the following:

5 **SECTION 573.** 71.28 (3q) (b) 1. of the statutes is amended to read:

6 71.28 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
7 employee in the taxable year, not to exceed 10 percent of such wages, as determined
8 ~~by the department of commerce~~ under s. 238.16 or s. 560.2055, 2009 stats.

9 **SECTION 574.** 71.28 (3q) (b) 2. of the statutes is amended to read:

10 71.28 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
11 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
12 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

13 **SECTION 575.** 71.28 (3q) (c) 2. of the statutes is amended to read:

14 71.28 (3q) (c) 2. No credit may be allowed under this subsection unless the
15 claimant includes with the claimant's return a copy of the claimant's certification for
16 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

17 **SECTION 576.** 71.28 (3q) (c) 3. of the statutes is amended to read:

18 71.28 (3q) (c) 3. The maximum amount of credits that may be awarded under
19 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January
20 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
21 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

22 **SECTION 577.** 71.28 (3r) (b) of the statutes is amended to read:

23 71.28 (3r) (b) *Filing claims.* Subject to the limitations provided in this
24 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
25 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit

1 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
2 equal to 10 percent of the amount the claimant paid in the taxable year for meat
3 processing modernization or expansion related to the claimant's meat processing
4 operation.

5 **SECTION 578.** 71.28 (3r) (c) 3. a. of the statutes is amended to read:

6 71.28 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
7 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is
8 \$300,000, as allocated under s. 560.208, 2009 stats.

9 **SECTION 579.** 71.28 (3r) (c) 3. b. of the statutes is amended to read:

10 71.28 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
11 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in
12 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
13 2009 stats.

14 **SECTION 580.** 71.28 (3r) (c) 6. of the statutes is amended to read:

15 71.28 (3r) (c) 6. No credit may be allowed under this subsection unless the
16 claimant submits with the claimant's return a copy of the claimant's credit
17 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

18 **SECTION 581.** 71.28 (3rm) (b) of the statutes is amended to read:

19 71.28 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
20 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
21 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
22 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
23 equal to 10 percent of the amount the claimant paid in the taxable year for equipment
24 that is used primarily to harvest or process woody biomass that is used as fuel or as
25 a component of fuel.

1 **SECTION 582.** 71.28 (3rm) (c) 3. of the statutes is amended to read:

2 71.28 **(3rm)** (c) 3. The maximum amount of the credits that may be claimed
3 under this subsection and ss. 71.07 (3rm) and 71.47 (3rm) is \$900,000, as allocated
4 under s. 238.21 or s. 560.209, 2009 stats.

5 **SECTION 583.** 71.28 (3rn) (b) of the statutes is amended to read:

6 71.28 **(3rn)** (b) *Filing claims.* Subject to the limitations provided in this
7 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
8 beginning after December 31, 2009, and before January 1, 2017, a claimant may
9 claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax,
10 an amount equal to 10 percent of the amount the claimant paid in the taxable year
11 for food processing or food warehousing modernization or expansion related to the
12 operation of the claimant's food processing plant or food warehouse.

13 **SECTION 584.** 71.28 (3rn) (c) 3. a. of the statutes is amended to read:

14 71.28 **(3rn)** (c) 3. a. The maximum amount of the credits that may be allocated
15 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
16 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

17 **SECTION 585.** 71.28 (3rn) (c) 3. b. of the statutes is amended to read:

18 71.28 **(3rn)** (c) 3. b. The maximum amount of the credits that may be allocated
19 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
20 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

21 **SECTION 586.** 71.28 (3rn) (c) 3. c. of the statutes is amended to read:

22 71.28 **(3rn)** (c) 3. c. The maximum amount of the credits that may be allocated
23 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
24 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
25 stats.

1 **SECTION 587.** 71.28 (3rn) (c) 6. of the statutes is amended to read:

2 71.28 (**3rn**) (c) 6. No credit may be allowed under this subsection unless the
3 claimant submits with the claimant's return a copy of the claimant's credit
4 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

5 **SECTION 588.** 71.28 (3t) (b) of the statutes is amended to read:

6 71.28 (**3t**) (b) *Credit*. Subject to the limitations provided in this subsection and
7 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
8 claimant may claim as a credit, amortized over 15 taxable years starting with the
9 taxable year beginning after December 31, 2007, against the tax imposed under s.
10 71.23, up to the amount of the tax, an amount equal to the claimant's unused credits
11 under s. 71.28 (3).

12 **SECTION 589.** 71.28 (3t) (c) 1. of the statutes is amended to read:

13 71.28 (**3t**) (c) 1. No credit may be claimed under this subsection unless the
14 claimant submits with the claimant's return a copy of the claimant's certification by
15 the department of commerce under s. 560.28, 2009 stats., except that, with regard
16 to credits claimed by partners of a partnership, members of a limited liability
17 company, or shareholders of a tax-option corporation, the entity shall provide a copy
18 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
19 to submit with his or her return.

20 **SECTION 590.** 71.28 (3w) (a) 2. of the statutes is amended to read:

21 71.28 (**3w**) (a) 2. "Claimant" means a person who is certified to claim tax
22 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
23 this subsection.

24 **SECTION 591.** 71.28 (3w) (a) 3. of the statutes is amended to read:

1 71.28 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
2 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

3 **SECTION 592.** 71.28 (3w) (a) 4. of the statutes is amended to read:

4 71.28 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
5 or s. 560.799, 2009 stats.

6 **SECTION 593.** 71.28 (3w) (a) 5d. of the statutes is amended to read:

7 71.28 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
8 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
9 560.799, 2009 stats.

10 **SECTION 594.** 71.28 (3w) (a) 5e. of the statutes is amended to read:

11 71.28 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
12 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
13 560.799, 2009 stats.

14 **SECTION 595.** 71.28 (3w) (b) (intro.) of the statutes is amended to read:

15 71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
16 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
17 claim as a credit against the tax imposed under s. 71.23 an amount calculated as
18 follows:

19 **SECTION 596.** 71.28 (3w) (b) 5. of the statutes is amended to read:

20 71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
21 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
22 560.799, 2009 stats., not to exceed 7 percent.

23 **SECTION 597.** 71.28 (3w) (bm) 1. of the statutes is amended to read:

24 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
25 4., and subject to the limitations provided in this subsection and s. 238.399 or s.

1 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
2 s. 71.23 an amount equal to a percentage, as determined ~~by the department of~~
3 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
4 the amount the claimant paid in the taxable year to upgrade or improve the
5 job-related skills of any of the claimant's full-time employees, to train any of the
6 claimant's full-time employees on the use of job-related new technologies, or to
7 provide job-related training to any full-time employee whose employment with the
8 claimant represents the employee's first full-time job. This subdivision does not
9 apply to employees who do not work in an enterprise zone.

10 **SECTION 598.** 71.28 (3w) (bm) 2. of the statutes is amended to read:

11 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
12 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
13 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
14 s. 71.23 an amount equal to the percentage, as determined ~~by the department of~~
15 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the
16 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
17 employees whose annual wages are greater than \$20,000 in a tier I county or
18 municipality, not including the wages paid to the employees determined under par.
19 (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the
20 wages paid to the employees determined under par. (b) 1., and who the claimant
21 employed in the enterprise zone in the taxable year, if the total number of such
22 employees is equal to or greater than the total number of such employees in the base
23 year. A claimant may claim a credit under this subdivision for no more than 5
24 consecutive taxable years.

25 **SECTION 599.** 71.28 (3w) (bm) 3. of the statutes is amended to read:

1 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
2 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
3 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
4 may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the
5 claimant's significant capital expenditures, as determined by the department of
6 commerce under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

7 **SECTION 600.** 71.28 (3w) (bm) 4. of the statutes is amended to read:

8 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
9 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
10 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
11 may claim as a credit against the tax imposed under s. 71.23, up to 1 percent of the
12 amount that the claimant paid in the taxable year to purchase tangible personal
13 property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from
14 Wisconsin vendors, as determined by the department of commerce under s. 238.399
15 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the
16 credit under this subdivision and subd. 3. for the same expenditures.

17 **SECTION 601.** 71.28 (3w) (c) 3. of the statutes is amended to read:

18 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
19 claimant includes with the claimant's return a copy of the claimant's certification for
20 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

21 **SECTION 602.** 71.28 (3w) (d) of the statutes is amended to read:

22 71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the
23 credit under sub. (4), applies to the credit under this subsection. Claimants shall
24 include with their returns a copy of their certification for tax benefits, and a copy of

1 the verification of their expenses, from the department of commerce or the Wisconsin
2 Economic Development Corporation.

3 **SECTION 603.** 71.28 (4) (am) 1. of the statutes is amended to read:

4 71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may
5 credit against taxes otherwise due under this chapter an amount equal to 5 percent
6 of the amount obtained by subtracting from the corporation's qualified research
7 expenses, as defined in section 41 of the Internal Revenue Code, except that
8 "qualified research expenses" include only expenses incurred by the claimant in a
9 development zone under subch. II of ch. 238 or subch. VI of ch. 560, 2009 stats., except
10 that a taxpayer may elect the alternative computation under section 41 (c) (4) of the
11 Internal Revenue Code and that election applies until the department permits its
12 revocation and except that "qualified research expenses" do not include
13 compensation used in computing the credit under sub. (1dj) nor research expenses
14 incurred before the claimant is certified for tax benefits under s. 238.365 (3) or s.
15 560.765 (3), 2009 stats., the corporation's base amount, as defined in section 41 (c)
16 of the Internal Revenue Code, in a development zone, except that gross receipts used
17 in calculating the base amount means gross receipts from sales attributable to
18 Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and
19 (dk) and research expenses used in calculating the base amount include research
20 expenses incurred before the claimant is certified for tax benefits under s. 238.365
21 (3) or s. 560.765 (3), 2009 stats., in a development zone, if the claimant submits with
22 the claimant's return a copy of the claimant's certification for tax benefits under s.
23 238.365 (3) or s. 560.765 (3), 2009 stats., and a statement from the department of
24 commerce or the Wisconsin Economic Development Corporation verifying the
25 claimant's qualified research expenses for research conducted exclusively in a

1 development zone. The rules under s. 73.03 (35) apply to the credit under this
2 subdivision. The rules under sub. (1d) (f) and (g) as they apply to the credit under
3 that subsection apply to claims under this subdivision. Section 41 (h) of the Internal
4 Revenue Code does not apply to the credit under this subdivision.

5 **SECTION 604.** 71.28 (4) (am) 2. of the statutes is amended to read:

6 71.28 (4) (am) 2. The development zones credit under subd. 1., as it applies to
7 a person certified under s. 238.365 (3) or s. 560.765 (3), 2009 stats., applies to a
8 corporation that conducts economic activity in a development opportunity zone
9 under s. 238.395 (1) or s. 560.795 (1), 2009 stats., and that is entitled to tax benefits
10 under s. 238.395 (3) or s. 560.795 (3), 2009 stats., subject to the limits under s.
11 238.395 (2) or s. 560.795 (2), 2009 stats. A development opportunity zone credit
12 under this subdivision may be calculated using expenses incurred by a claimant
13 beginning on the effective date under s. 238.395 (2) (a) or s. 560.795 (2) (a), 2009
14 stats., of the development opportunity zone designation of the area in which the
15 claimant conducts economic activity.

16 **SECTION 605.** 71.28 (5b) (a) 2. of the statutes is amended to read:

17 71.28 (5b) (a) 2. "Fund manager" means an investment fund manager certified
18 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

19 **SECTION 606.** 71.28 (5b) (b) 1. of the statutes is amended to read:

20 71.28 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
21 to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009
22 stats., and except as provided in subd. 2., a claimant may claim as a credit against
23 the tax imposed under s. 71.23, up to the amount of those taxes, 25 percent of the
24 claimant's investment paid to a fund manager that the fund manager invests in a
25 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.